

John Massouh, SBN 24026866
John.massouh@sprouselaw.com
SPOUSE SHRADER SMITH PLLC
701 S. Taylor, Suite 500
P.O. Box 15008
Amarillo, Texas 79105-5008
(806) 468-3300; (806) 373-3454 FAX

ATTORNEYS FOR SCARLET AND BLACK CATTLE, LLC

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
AMARILLO DIVISION

IN RE:	§	
	§	
MCCLAIN FEED YARD, INC., et al., ¹	§	CASE NO. 23-20084-RLJ-7
	§	
Debtors.	§	Jointly Administered

**RESPONSE OF SCARLET AND BLACK CATTLE, LLC TO RABO'S MOTION FOR
RELIEF FROM THE AUTOMATIC STAY OR, ALTERNATIVELY, FOR
ABANDONMENT OF CERTAIN CATTLE AND PROCEEDS OF CATTLE**

TO THE HONORABLE UNITED STATES BANKRUPTCY JUDGE OF SAID COURT:

NOW COMES *SCARLET AND BLACK CATTLE, LLC* ("S&B"), by and through its attorneys of record, and files this its Response to Rabo's Motion for Relief From the Automatic Stay or, Alternatively, For Abandonment of Certain Cattle and Proceeds of Cattle (Doc. No. 192) (the "Motion") filed by Rabo AgriFinance LLC ("Rabo"), and would respectfully show the Court as follows:

1. S&B generally denies the allegations and unsupported statements set forth in Rabo's Motion. Rabo cannot assert a lien against cattle the debtors did not own or have any right in. With respect to Rabo's allegations in the Motion, concerning 213 cattle, S&B denies these allegations as they may relate to the recovery of any cattle or proceeds by S&B as alleged in the Motion.

¹ The Debtors in these chapter 7 cases are: McClain Feed Yard, Inc. (Case No. 23-20084-RLJ), McClain Farms, Inc. (Case No. 23-20085-RLJ), and 7M Cattle Feeders, Inc. (Case No. 23-20086-RLJ)

2. Any cattle removed or proceeds obtained by or on behalf of S&B, as alleged in the Motion, were removed or obtained in good faith and in the ordinary course of the business of S&B. Any cattle removed by S&B were fed and cared for in the ordinary course of its business and S&B incurred related feed and care expenses. S&B does not know if the cattle or proceeds are property of the bankruptcy estate, but asserts that such cattle were owned by S&B. Rabo also acknowledges in the Motion that it does not know if the Removed Cattle and Proceeds are property of the bankruptcy estate. Considering this, Rabo's requested relief should be denied. Rabo is adequately protected by its comprehensive liens on other property of the bankruptcy estate and related guaranty agreements.

3. S&B does not know who, other than itself, may have a claim to the relevant proceeds. S&B acknowledges that there may be competing claims to the funds. It is S&B's position that Rabo's requested relief should be denied.

4. S&B further incorporates by reference the arguments set forth Priest Cattle Company. LTD's Response to Rabo's Motion for Relief From the Automatic Stay or, Alternatively, for Abandonment of Certain Cattle and Proceeds of Cattle [Doc. 203] as if fully set forth herein.

WHEREFORE, PREMISES CONSIDERED, Scarlet & Black Cattle, LLC pray that the Court enter an order denying Rabo's Motion in accordance with the above and foregoing Response, and for such other and further relief, in law or in equity, to which they may show themselves justly entitled.

Dated this 29th day of March, 2024.

Respectfully submitted,

John Massouh, SBN 24026866
John.massouh@sprouselaw.com
SPOUSE SHRADER SMITH PLLC
701 S. Taylor, Suite 500
P.O. Box 15008
Amarillo, Texas 79105-5008
(806) 468-3300; (806) 373-3454 FAX

/s/ John Massouh

John Massouh

*ATTORNEYS FOR SCARLET AND BLACK
CATTLE, LLC*

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing was served via electronic and/or U.S. Mail on March 29, 2024, upon all parties entitled to such notice as provided by the ECF filing system.

/s/ John Massouh

John Massouh